## INSTRUMENT PREPARED BY VIRGINIA GAS AND OIL BOARD

**VIRGINIA:** 

BOOK 579 PAGE 0034

#### BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER VGOB-00-1017-0831

ELECTIONS: UNIT FF-25 (herein "Subject Drilling Unit")

#### REPORT OF BOARD

#### FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on December 11, 2000 which was recorded at Deed Book 517, Page 115 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on December 20, 2000 and at Deed Book 518, Page 147 in the Office of the Clerk of the Circuit Court of Russell County, Virginia, on December 21, 2000, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed POCAHONTAS GAS PARTNERSHIP (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any, identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates that the escrow of funds is required with regard to Unit FF-25;

Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, First Union National Bank, Corporate Trust PA1328,123 Broad Street, Philadelphia, PA 19109-1199, Telephone: (215) 985-3485 or (800) 664-9359, Attn: Don Ballinghoff, or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore.

# BOOK 526 PAGE 819 OOK 579 PAGE 0035

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven seven (7) days from the date of receipt of this Order.

<u>Conclusion:</u> Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Effective Date: This Order shall be effective on the date of its execution. DONE AND EXECUTED this 28 day of fune, 2001, by a majority of the Virginia Gas and Oil Board. STATE OF VIRGINIA COUNTY OF WISE Acknowledged on this Helday of June, 2001, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so. Notary My commission expires: July 31, 2002 DONE AND PERFORMED THIS 5th day of July , 2001, by Order of the Board. Director of the Division of Gas & Oil Board and Principal Executive to the Board STATE OF VIRGINIA **COUNTY OF WASHINGTON** that he is Director of the Division of Gas & Oil Board and Principal Executive to the Board, that he executed the same and was authorized to do so. My commission expires: July 31, 2002

## BOOK 526 PAGE 820

**VIRGINIA:** 

### Exhibit A

BOOK 579 PAGE 0036

#### IN RE:

Application of Pocahontas Gas Partnership for Forced Pooling of Interests in CBM Unit FF-25 VGOB-00-1017-0831 in the Hurricane District of Buchanan County and the New Garden District of Russell County, Virginia

BEFORE THE VIRGINIA GAS AND OIL BOARD

AFFIDAVIT OF POCAHONTAS GAS PARTNERSHIP (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Leslie K. Arrington, being first duly sworn on oath, deposes and says:

That your affiant is employed by Consol Energy Inc., as a Gas Engineer and is duly authorized to make this affidavit on behalf of POCAHONTAS GAS PARTNERSHIP, the designated operator,

That the Order entered on December 11, 2000, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the counties identified above; that said Order was recorded on December 20, 2000 and December 21, 2000;

That the designated operator POCAHONTAS GAS PARTNERSHIP has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

None

That the following persons attempted to make an election after the time to do so had expired:

James D. Rasnake

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of December 11, 2000;

See attached Exhibit B-3

## BOOK 526 PAGE 821 800K 579 PAGE 0037

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

See attached Exhibit E

That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator:

None

That to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are subject to escrow, they should be added as respondents; the Operator requests that the following persons be added as Respondents:

Laura Hale Boyd Heirs et al. including Ardue Boyd Heirs, Devisees, Successors or Assigns, Mary Boyd Cook Heirs, Devisees, Successors or Assigns, Milton Boyd Heirs, Devisees, Successors or Assigns, Myrtle Boyd Baldwin, Vernie Baldwin, Trula Greenwood, Nell Stiltner, Marion Boyd Jr. Heirs, Devisees, Successors or Assigns, Irson Boyd Heirs, Devisees, Successors or Assigns, Marcus Boyd, Angie Boyd, James Thurman Boyd and James D. Rasnake

That the persons identified in Exhibit EE attached hereto have entered into royalty split agreements that allow the Applicant/Designated Operator to pay them directly without the need to escrow funds which would otherwise be in conflict.

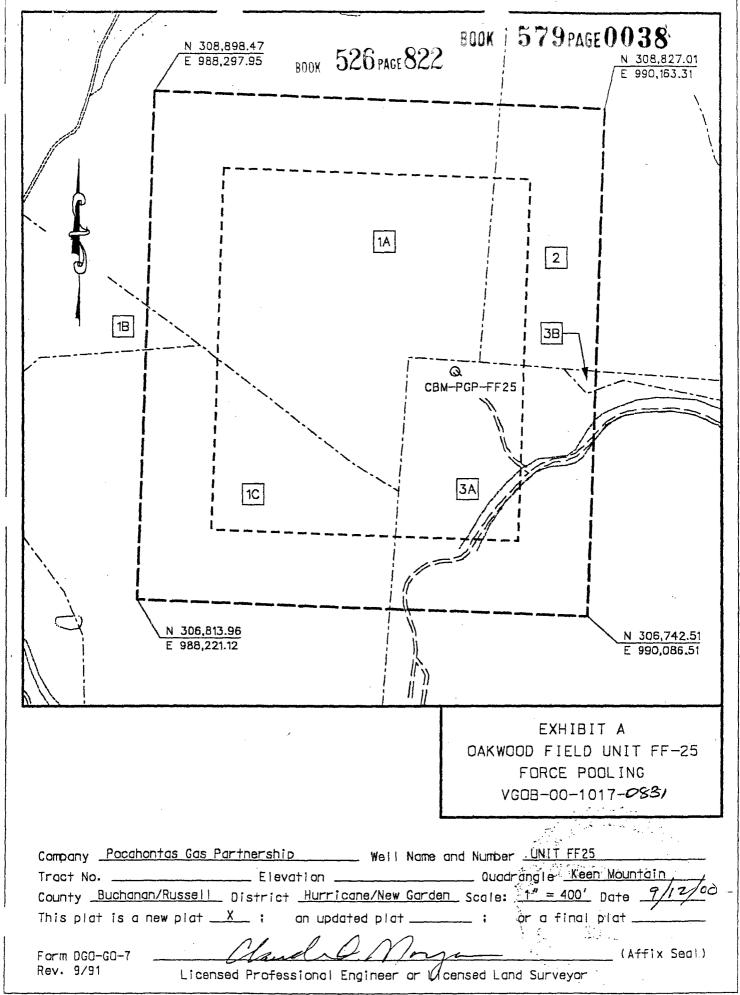
None

That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Tazewell, Virginia, this day of May

Notary

My commission expires: 1//30/01



# BOOK 526 PAGE 823 POCAHONTAS GAS PARTNERSHIP

## Unit FF-25 Tract Identifications

BOOK 579 PAGE 0039

1A. Hugh MacRae Land Trust - TR 9 - Coal
Consolidation Coal Company - Below Tiller coal Leased
Permac, Inc. - Tiller and above coal Leased
Pocahontas Gas Partnership - CBM Leased
Ellen Fletcher, et al - Oil & Gas
Floyd Blankenship Jr. - Surface
38.88 acres
43.52401%

- 1B. Hugh MacRae Land Trust TR 9 Coal
  Consolidation Coal Company Below Tiller coal Leased
  Permac, Inc. Tiller and above coal Leased
  Pocahontas Gas Partnership CBM Leased
  Jeffery Hale, et al Surface, Oil & Gas
  0.47 acres
  0.52614%
- Hugh MacRae Land Trust TR 9 Coal
   Consolidation Coal Company Below Tiller coal Leased
   Permac, Inc. Tiller and above coal Leased
   Pocahontas Gas Partnership CBM Leased
   Arnold S. Hale Surface, Oil & Gas
   19.98 acres
   22.36651%
- 2. Hugh MacRae Land Trust TR 14 Coal
  Consolidation Coal Company Below Tiller coal Leased
  Permac, Inc. Tiller and above coal Leased
  Pocahontas Gas Partnership CBM Leased
  Myrtle Hale, et al Surface, Oil & Gas
  11.27 acres 12.61614%
- 3. Buckhorn Coal Mining Tr. 7 Coal, Oil &b Gas
  Consolidation Coal Company Below Tiller coal Leased
  Permac, Inc. Tiller and above coal Leased
  Pocahontas Gas Partnership CBM Leased
  18.73 acres
  20.96720%
- 3A. Buckhorn Coal Mining Tr. 7 Surface
- 3B. Myrtle Hale, et al Surface

#### Exhibit B-2 Unit FF-25

#### Docket No. VGOB-00-1017-0799 List of Respondents to be Added

BOOK

579PAGE 0040

Net Acres in Unit Interest in Unit Reason for Addition

#### II. OIL & GAS FEE OWNERSHIP

#### Tract #1A - 38,88 acres

Ellen Fletcher et al.

38.88 acres

43.52%

(2) Laura Hale Boyd Heirs et al.

4.86 acres 1/8 of 38.88 acres 5.44%

Due Diligence

(1) Laura Hale Boyd Heirs, Devisees, Successors or Assigns

\*Individual fractional interests not yet determined

- (a) M. R. Boyd Heirs, Devisees, Successors or Assigns
  - (a.1) Ardue Boyd, Heirs, Devisees, Successors or Assigns Address Unknown
  - (a.2) Mary Boyd Cook, Heirs, Devisees, Successors or Assigns Address Unknown
  - (a.3) Milton Boyd, Heirs, Devisees, Successors or Assigns Address Unknown
  - (a.4) Myrtle Boyd Baldwin 1045 East Jarvis Street Hazel Park, MI 48030-1863
  - (a.5) Vernie Baldwin

    Address Unknown
  - (a.6) Trula Greenwood Maple Grove Hampstead, MD 21074
  - (a.7) Nell Stiltner

    Address Unknown
  - (a.8) Marion Boyd Jr., Heirs, Devisees, Successors or Assigns Address Unknown
  - (a.9) Irson Boyd, Heirs, Devisees, Successors or Assigns 30775 Alger Street Madison Heights, MI 48071-1830
  - (a.10) Marcus Boyd

    Address Unknown

## Exhibit B-3

BOOK 526 PAGE 826

#### Unit FF-25 Docket No. VGOB-00-1017-0799 List of Unleased Owners/Claimants

800K

579 PAGE 0042

**Net Acres** in Unit

Unit

Election

#### Ħ. OIL & GAS FEE OWNERSHIP

#### Tract #1A - 38.88 acres

Ellen Fletcher et al.

38.88 acres

43.52%

(2)Laura Hale Boyd Heirs et al. 4.86 acres

1/8 of 38.88 acres

5.44% Deemed Leased

Laura Hale Boyd Heirs, Devisees, (1)

Successors or Assigns

\*Individual fractional interests not yet determined

- (a) M. R. Boyd Heirs, Devisees, Successors or Assigns
  - (a.1) Ardue Boyd, Heirs, Devisees, Successors or Assigns Address Unknown
  - (a.2) Mary Boyd Cook, Heirs, Devisees, Successors or Assigns Address Unknown
  - (a.3) Milton Boyd, Heirs, Devisees, Successors or Assigns Address Unknown
  - (a.4) Myrtle Boyd Baldwin 1045 East Jarvis Street Hazel Park, MI 48030-1863
  - (a.5) Vernie Baldwin Address Unknown
  - (a.6) Trula Greenwood Maple Grove Hampstead, MD 21074
  - (a.7) Nell Stiltner Address Unknown
  - (a.8) Marion Boyd Jr., Heirs, Devisees, Successors or Assigns Address Unknown
  - (a.9) Irson Boyd, Heirs, Devisees, Successors or Assigns 30775 Alger Street Madison Heights, MI 48071-1830
  - (a.10) Marcus Boyd Address Unknown
  - (a.11) Angie Boyd Address Unknown
  - (a.12) James Thurman Boyd Address Unknown

Exhibit B-2 Unit FF-25

BOOK 526 PAGE 825

Docket No. VGOB-00-1017-0799 List of Respondents to be Added

579 PAGE 0041

**Net Acres** in Unit

Interest in Unit

Reason for Addition

(a.11) Angie Boyd Address Unknown

(a.12) James Thurman Boyd Address Unknown

(2) James D. Rasnake 22484 Montego Bay Road Abingdon, VA 24211

0.88 acres 2/11 of 4.86 acres 0.99%

BOOK 526 PAGE 827

#### Unit FF-25 Docket No. VGOB-00-1017-0799

Exhibit B-3

List of Unleased Owners/Claimants  $800 \text{K} - 579 \text{PAGE} \, 0043$ 

		Net Acres in Unit	Interest in Unit	Election
(2)	James D. Rasnake 22484 Montego Bay Road Abingdon, VA 24211	0.88 acres 2/11 of 4.86 acres	0.99%	Deemed Leased *
Tract #1	3 - 0.47 acres			
(1)	Carlos Hale Heirs, Devisees, Successors or Assigns	0.47 acres	0.52614%	Deemed Leased
(а	) Lorene Hale P.O. Box 841 Cedar Bluff, VA 24609	0.12 1/4 of 0.47 acres	0.13153%	
d)	) Pameia J. Keene HC65 Box 18B Oakwood, VA 24631	0.12 1/4 of 0.47 acres	0.13153%	
(c	) Jamie Hale Rt.2 Box 468 Haysi, VA 24256	0.12 1/4 of 0.47 acres	0.13153%	
(d	) Jeffery C. Hale 1926 Zacks Fork Road Lenoir, NC 28645	0.12 1/4 of 0.47 acres	0.13153%	
Tract #1	C - 19.98 acres			
(1)	Amold S. Hale, et ux. HC65 Box 18 Oakwood, VA 24631	19.98 acres	22.36651%	Deemed Leased
Tract #2	<u>- 11.27 acres</u>			
(1)	Myrtle Hale, et al. c/o Frank Kilgore, Esquire P.O. Drawer 1210 St. Paul, VA 24283	11.27 acres	12.61614%	Deemed Leased

<sup>\*</sup>Elected to be Carried after time to do so had expired.

#### Exhibit E Unit FF-25

300K **526** page **82**8

#### Docket No. VGOB-00-1017-0799

List of Conflicting Owners/Claimants that require escrow

800K

579 PAGE 0044

Net Acres in Unit Interest in Unit

#### Tract #1A - 38.88 acres

#### COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust, Tr. 9c/o Akin, Gump, et al.590 Madison Avenue, 20th Floor New York, NY 10022 38.88 acres

43.5240%

(2) Torch Operating Co. (CBM Royalty Owner)
P. O. Box 200722
Houston, TX 77216-0122

#### OIL & GAS FEE OWNERSHIP

Ellen Fletcher et al.

38.88 acres

43.52%

(1) Ellen Fletcher et al. P.O. Box 187 Tazewell, VA 24651 34.02 acres

38.08%

7/8 of 38.88 acres

(2) Laura Hale Boyd Heirs et al.

4.86 acres

5.44%

1/8 of 38.88 acres

(1) Laura Hale Boyd Heirs, Devisees, Successors or Assigns \*Individual fractional interests not yet determined

- (a) M. R. Boyd Heirs, Devisees, Successors or Assigns
  - (a.1) Ardue Boyd, Heirs, Devisees, Successors or Assigns Address Unknown
  - (a.2) Mary Boyd Cook, Heirs, Devisees, Successors or Assigns Address Unknown
  - (a.3) Milton Boyd, Heirs, Devisees, Successors or Assigns Address Unknown
  - (a.4) Myrtle Boyd Baldwin 1045 East Jarvis Street Hazel Park, MI 48030-1863
  - (a.5) Vernie Baldwin
    Address Unknown
  - (a.6) Trula Greenwood Maple Grove Hampstead, MD 21074
  - (a.7) Nell Stiltner Address Unknown
  - (a.8) Marion Boyd Jr., Heirs, Devisees, Successors or Assigns Address Unknown

#### Exhibit E Unit FF-25

Docket No. VGOB-00-1017-0799
List of Conflicting Owners/Claimants that require escrow

BOOK 526 PAGE 823

BOOK

579 PAGE 0045

Net Acres in Unit Interest in Unit

- (a.9) Irson Boyd, Heirs, Devisees, Successors or Assigns 30775 Alger Street Madison Heights, MI 48071-1830
- (a.10) Marcus Boyd

  Address Unknown
- (a.11) Angie Boyd

  Address Unknown
- (a.12) James Thurman Boyd Address Unknown
- (2) James D. Rasnake 22484 Montego Bay Road Abingdon, VA 24211

0.88 acres 2/11 of 4.86 acres 0.99%

#### Tract #1B - 0.47 acres

#### **COAL FEE OWNERSHIP**

(1) Hugh Macrae Land Trust, Tr. 9 c/o Akin, Gump, et al. 590 Madison Avenue, 20th Floor New York, NY 10022 0.47 acres

0.5261%

(2) Torch Operating Co. (CBM Royalty Owner)
P. O. Box 200722
Houston, TX 77216-0122

#### OIL & GAS FEE OWNERSHIP

Lenoir, NC 28645

(1)	Carlos Hale Heirs, Devisees, Successors or Assigns	0.47 acres	0.52614%
(a	) Lorene Hale P.O. Box 841 Cedar Bluff, VA 24609	0.12 1/4 of 0.47 acres	0.13153%
d)	) Pamela J. Keene HC65 Box 18B Oakwood, VA 24631	0.12 1/4 of 0.47 acres	0.13153%
(0	) Jamie Hale Rt.2 Box 468 Haysi, VA 24256	0.12 1/4 of 0.47 acres	0.13153%
(d	) Jeffery C. Hale 1926 Zacks Fork Road	0.12 1/4 of 0.47 acres	0.13153%

#### Exhibit E Unit FF-25

BOOK 526 PAGE 830

Docket No. VGOB-00-1017-0799

List of Conflicting Owners/Claimants that require escrow

800K

579 PAGE 0046

Net Acres in Unit

nterest in Unit

Tract	#1C -	19.98	acres
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#### COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust, Tr. 9c/o Akin, Gump, et al.590 Madison Avenue, 20th Floor New York, NY 10022 19.98 acres

22.3665%

(2) Torch Operating Co. (CBM Royalty Owner)
P. O. Box 200722
Houston, TX 77216-0122

#### OIL & GAS FEE OWNERSHIP

(1) Arnold S. Hale, et ux. HC65 Box 18 Oakwood, VA 24631 19.98 acres

22.36651%

#### Tract #2 - 11.27 acres

#### COAL FEE OWNERSHIP

(1) Hugh Macrae Land Trust, Tr. 9c/o Akin, Gump, et al.590 Madison Avenue, 20th Floor New York, NY 10022 11.27 acres

12.6161%

(2) Torch Operating Co. (CBM Royalty Owner)
P. O. Box 200722
Houston, TX 77216-0122

#### OIL & GAS FEE OWNERSHIP

(1) Myrtle Hale, et al. c/o Frank Kilgore, Esquire P.O. Drawer 1210 St. Paul, VA 24283 11.27 acres

12.61614%

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## COMMONWEALTH OF VIRGINIA



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